

ABSTRACT OF THE DISCLOSURE

A method for valuing patent assets in function of a "cash out" profits stream. The method hypothesizes a patent holder that grants fee-based licenses under its patent assets to all interested third parties, thereby retaining no
5 exclusionary rights from which to reap excess profits for its own sale of patented articles. Applying this "cash out" hypothesis, the value of the patent assets is determined in function of the sum of the projected licensing fees from such fee-based licenses, i.e. the projected "cash out" licensing profits stream. Through invocation of the "cash out" hypothesis, which removes excess profits
10 determinations from patent asset valuation, the method: (i) simplifies and reduces information barriers to patent asset valuation; and (ii) yields owner-independent patent asset valuations more useful in comparative patent portfolio analysis. The present invention further provides a system in which a patent asset valuation method may be applied in a networked computing environment to
15 improve automation.